



Duty Act Changes

The time for payment of duty under the Duties Act 2008 will shortly be reduced. At present duty must be paid not later than 3 months after the liability date. That period will be reduced from 3 months down to 14 days. This means, for example, that a purchaser of land will have only 14 days in which to pay duty on the purchase following settlement. Similarly, the duty on a trust deed must be paid within 14 days of execution of the deed.

The change to the time for payment of duty will come into effect on the day the Duties Amendment Bill 2008 (Vic) receives Royal Assent, expected to be in early 2009. The Bill is currently before the Legislative Assembly.

Other changes in the Duties Amendment Bill 2008 (Vic) will operate from 21 November 2008 and include:

1. Anti-avoidance provisions designed to close a loophole which allowed the use of complex long-term lease arrangements to escape duty liability in situations that are tantamount to the acquisition of land; and
2. Amendments intended to clarify when a change in beneficial ownership may occur for the purposes of the Duties Act 2000 (Vic). These amendments have been made as a result of the recent case of Trust Company of Australia

Ltd (atf the Clayton 3 Trust) v Commissioner [2007] VSC 451, which cast some doubt on whether certain trust arrangements are dutiable on the basis that there is a change in beneficial ownership of dutiable property.

If you have any queries about changes to the Duty Act please contact Sue Harris on (03) 9242 4758 or via email sue.harris@madgwicks.com.au, or Peter Crawford on (03) 9242 4707 or via email peter.crawford@madgwicks.com.au, or Lorna Gelbert on (03) 9242 4763 or via email lorna.gelbert@madgwicks.com.au.

▶ Madgwicks' Property & Construction Group

Madgwicks' Property & Construction Group has an excellent reputation for assisting clients in the acquisition, development and transfer of property. Our property clients include property trusts, retail chains, hotel, motel and caravan groups, agribusiness, energy companies and individual landlords and tenants. Possessing a wealth of expertise across the Property and Construction area, the Group also works in conjunction with Madgwicks' Commercial and Litigation Groups, enabling the provision of complete service solutions to the client. For more information on the Property & Construction Group please click [here](#).

- ▶ Please click here for more information on our Property & Construction Partners, [Lorna Gelbert](#), [Peter Crawford](#) & [Laurance Davis](#).
- ▶ Please click here for more information on our Taxation & Revenue Partner, [Michael Norbury](#).